

Message Text

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16

ORIGIN XMB-04

INFO OCT-01 EA-06 ISO-00 EB-04 COME-00 CIAE-00 INR-05

NSAE-00 RSC-01 L-01 TRSE-00 PA-01 PRS-01 USIA-06 /030 R

66609

DRAFTED BY: EX-IM BANK/MWCLAPP:LLS

APPROVED BY: EB/OCA/REP:GPWILSON

XMB:CEHOUSTON

WWGLICK

STATE/EB/IFD/ODF:EMLINTON

STATE/EA/IMS:ARDORNHEIM

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R 182059Z OCT 74

FM SECSTATE WASHDC

TO AMEMBASSY JAKARTA

UNCLAS STATE 229998

E.O. 11652: N/A

TAGS: ETRD, ID

SUBJ: EXIMBANK FINANCING FOR CEMENT PLANT EXPANSION AND THREE
CUTTER SUCTION DREDGES, AND PORT EQUIPMENT

1. THE BOARD OF DIRECTORS OF EXIMBANK ON OCT 15 AUTHORIZED TWO CREDITS AND A PREMININARY COMMITMENT TO THE MINISTRY OF FINANCE REPUBLIC OF INDONESIA. THE FIRST CREDIT WILL FINANCE 40 PERCENT OF THE COST OF THREE CUTTER SUCTION DREDGES HAVING A TOTAL COST OF DOL 24,500,000. THE SECOND CREDIT WILL FINANCE 40 PERCENT OF THE COST OF A CEMENT PLANT EXPANSION HAVING A TOTAL US COST OF DOL 42,000,000. THIS IS THE P.T. SEMEN GRESIK PLANT. THE PRELIMINARY COMMITMENT COVERS 40 PERCENT OF THE ESTIMATED US COSTS OF PORT EQUIPMENT, FOR USE BY THE DIRECTORATE GENERAL OF SEA COMMUNICATIONS, HAVING A TOTAL COST OF DOL 17,000,000.

2. TERMS CALL FOR A 10PERCENT CASH PAYMENT ON BOTH CREDITS AND THE PRELIMINARY COMMITMENT. THE BALANCE OF 50PERCENT WILL BE EXTENDED BY FINANCIAL INSTITUTIONS TO BE SELECTED AND WILL
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NOT BE GUARANTEED BY EXIMBANK. REPAYMENT TO BE MADE SEMI-

ANNUALLY OVER A PERIOD OF 7 YEARS BEGINNING, SIX MONTHS AFTER DELIVERIES IN THE CASE OF THE DREDGES, MID-POINT OF DELIVERIES FOR THE PORT EQUIPMENT AND PROJECT COMPLETION IN THE CASE OF GRESIK.

3. REQUEST EMBASSY ADVISE MINISTRY OF FINANCE OF THIS ACTION, WHICH WILL BE DETAILED IN COMMITMENT LETTERS AND A PRELIMINARY COMMITMENT LETTER TO BE SENT TO IT IN NEXT FEW DAYS. FURTHER ADVISE BORROWER NEWS RELEASE INCLUDING ABOVE DETAILS SCHEDULED FOR ANNOUNCEMENT HERE NEXT FEW DAYS. EMBASSY WILL BE PROVIDED ADVANCE TEXT FOR THEIR INFORMATION PRIOR TO WASHINGTON RELEASE. OTHER THAN DISCUSSION WITH BORROWER, IT IS IMPERATIVE ABOVE INFORMATION BE WITHHELD PRIOR TO SUBJECT PRESS RELEASE. KISSINGER

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Message Attributes

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Draft Date: 18 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: IM BANK/MWCLAPP:LLS
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Handling Restrictions: n/a
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